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STATE DOCUMENTS



BIENNIAL REPORT

of the

**Department of
Agriculture, Labor
and Industry**

July 1, 1928, to June 30, 1930

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MONTANA

BIENNIAL REPORT 1928-29, 1929-30

Published by the Department of
Agriculture, Labor and Industry
DIVISION OF PUBLICITY

A. H. STAFFORD
Commissioner

WARREN W. MOSES
Chief Publicity Division

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A. H. STAFFORD
Commissioner of Agriculture, Labor and Industry
State of Montana

Honorable J. E. Erickson,
Governor of Montana.
Sir:

I am herewith submitting a report of the Department of Agriculture, Labor and Industry for the past biennium, setting forth the condition of the various divisions; also a financial statement of each.

It is not my plan to give an extended review of the work of each division, but I prefer that a study of the reports be made, thereby gaining more definite information in regard to the actual conditions of each division.

Very truly yours,

A. H. Stafford

Commissioner.

REPORT OF THE COMMISSIONER

Grain Division

The past two years have brought to many of the divisions of this department new and unusual problems. This is especially true of the Division of Grain Standards. Uncertainty as to the future plan of grain marketing has brought about an unsatisfactory condition in financing and operating grain elevators throughout the state. Financing agencies felt justified in withdrawing further support to elevators and called their loans. In order to meet such obligations, in a few instances stored grain was sold, thereby necessitating action by the division to protect the owners of grain stored in public warehouses.

Storage tickets are transferable and negotiable, and have been generally accepted by banks and loaning agencies as desirable security for a loan. In order to maintain their value and desirability, as the basis for loans, the grain division should be empowered to employ a warehouse inspector, clothed with authority to weigh up the grain in elevators and check the same against the outstanding storage tickets.

The heaviest financial burden that has come to the grain division is the laboratories established throughout the state. These laboratories were purchased and installed at a time when protein in wheat commanded a premium, and they supplied a public need. However, during the past two years, premiums on high quality grains have lowered, and laboratory patronage has declined until closing the laboratories was deemed justifiable. The time will no doubt come when it will be necessary for some of these laboratories to operate, but if they are to give all-year service, funds must be provided for their maintenance, as they cannot be made self sustaining under present conditions.

Dairy Division

The dairy industry in Montana has not shown an increased production for the biennial period. The fact that we have so nearly maintained our production level is encouraging. Now, through cream grading, higher quality products are being made, for which a more satisfactory return is being received.

The division as a whole is in a satisfactory condition and most efficiently managed. A voluntary increase in license fees by the creamerymen throughout the state has taken care of the financial needs of this division in a very pleasing way. Under conditions more nearly normal, an expansion of activities of the Dairy Division is possible, but at the present time the financial support is ample to take care of its needs.

Horticulture Division

The Horticulture Division of this department is generally presumed to serve a very limited area of the state. However, during the past biennum, through the fine management of George L. Knight, no division in this department has widened its scope of usefulness and given more efficient service than has this division. Further, the enthusiastic co-operation of the horticultural interests throughout the state has been obtained, and it is now possible that other parts of the state will begin to realize the importance of horticultural inspection work.

In most cases the inspection work is self-sustaining through fees received for inspection of fruits, vegetables and nursery stock. The great need at this time is for funds to supply inspectors to eradicate orchard disease and to assist horticulturists in caring for their trees and shrubs. Expansion is possible in this line of work, and additional support is justified for this division.

State Fair

A review of our report covering the State Fair work will show that elaborate preparations were made in 1929, but because of weather conditions the financial returns were by far the most disappointing in recent years. Through a change of dates the Fair for 1930 was held much earlier. We were able, in a measure, to take care of the deficit for the previous year and of our current bills. In each year, however, we are given material financial aid through the Lewis and Clark County Fair Association.

The physical plant is in need of many repairs. The agricultural hall which was burned a number of years ago has not been replaced, and each year the need for this building becomes more apparent.

I most earnestly request that consideration be given to taking care of the repair necessities at the Montana State Fair Grounds.

Apiary Division

The importance of this industry becomes more apparent each year. The appropriation for the administration of this division, although small, has, in the past, been used in a way that gave satisfactory returns. Now that the industry has expanded and different parts of the state are demanding service of inspectors, we find that it is impossible to cover the state in this inspection work under a three-year period. Re-inspection work is necessary in order to receive the most benefit from the clean-up work done. I recommend that the division receive a reasonable increase in appropriation. It is most desirable that inspection work cover the state at least every two years, and by doing so, work would be far more effective and more permanent results would be obtained.

Publicity Division

In the matter of disinterested service to the state as a whole, no division is accomplishing more than is the Division of Publicity. This division, through research and dissemination of information regarding the State's great variety of resources and the development of its numerous lines of endeavor, is covering a wide field and is accomplishing all its limited finances warrant. In addition to its weekly news letters regularly supplied to newspapers, industrial and financial concerns of this and other States, preparation of special articles relating to Montana for magazines and other publications, and compilation of informative matter issued in booklet form for general distribution, it acts as a bureau of information in replying to thousands of inquiries received annually from all parts of the United States.

The Division is bending its efforts to assist in the expansion of agriculture, horticulture, dairying and industrial activities and in the creating of a home demand for Montana manufactured articles. Likewise, it is giving attention to the recreational advantages of the State in the hope of attracting to the State more of the highly remunerative tourist travel.

In this work it has been seriously handicapped by meager appropriations and has been forced to limit to the minimum its operations and the issuance of much needed publicity matter. A new edition of the Montana year book should be issued, but sufficient funds have not been available. Several state organizations, including the Montana Association, the Montana Hotelmen's Association and the Montana Association of Commercial Organization Secretaries, during the past year have passed resolutions calling for larger appropriations for the use of the Division of Publicity, and it is my hope that the legislature of 1931 will see fit to carry those recommendations into effect.

DIVISION OF GRAIN STANDARDS AND MARKETING

Mrs. H. A. Morris, Chief Grain Div.
Charlotte Howe, Stenographer

*Lloyd Graham, State Scale Insp.

J. J. O'Connor, Chief Scale Insp.
Geo. T. Baxter, State Scale Ins.

During the months of June, July and August of each year, the activities of the grain division are centered around the licensing and bonding of elevators, and all grain handling firms in Montana. All elevators handling stored wheat are bonded to the State, or they are not allowed to operate as public warehousemen. Monthly reports are forwarded by elevators to this division showing storage outstanding, grain held to cover and securities protecting same, and the amount of bonds are based on storage liability. Since the creation of the department, the checking of storage has been entirely through reports. No field inspectors to check storage and weigh the grain held in elevators have been employed, as funds have not been adequate for this service. A need has arisen for field inspectors, through the advent of the system of storage loans through Federal Government aid, and also to prevent elevators from shipping out stored grain and applying the proceeds on their indebtedness.

Liquidation of Defunct Elevators

The general depression over the country has been felt acutely in the grain trade in Montana, and a number of elevators have been forced to discontinue operations. In some instances, the division has taken over the storage accounts and liquidated same in accordance with the law protecting owners of storage. In all cases except one, the grain on hand and bonds covering have paid in full the storage accounts, and the farmers have not lost. The case referred to is the Walsh Grain Company, Bozeman. In October, 1929, a survey was made of the condition of this company, and stocks equivalent to the value of storage tickets outstanding were found on hand. The company was covered by \$20,000 in bonds written through the Aetna Casualty & Surety Company of New York. Without notice to the Department of Agriculture, the grain was shipped into the terminals and sold, and the money applied on indebtedness of the company. On taking possession, an assignment was made to the Department of all properties not under mortgage, but an audit of the affairs of the company revealed many outside creditors, and the assignment was, therefore, in question. The grain on hand was sold and the bonds collected and the Department paid to the holders of storage tickets approximately 50 per cent of their claims, and all cash and track buyer transactions were paid in full. In an endeavor to recover the balance due storage ticket holders, the Attorney General, cooperating with the Department of Agriculture, called a meeting of all ticket holders and recommended to them that they appoint a committee to represent their interests. A committee of three was selected and they in turn appointed an attorney, and upon recommendation of this committee, the Department paid their attorney, in order to enable them to carry on the program of further recovery for the ticket holders. No report as to the progress of this committee and their attorney has been made to the Department.

* Lloyd Graham employed part-time scale and part-time laboratory service.

State Grain Laboratories

A complete report of work accomplished in the grain and scale division and the laboratories is hereto attached. The work in the scale department is increasing each year, many owners of scales, whose scales do not come under the act, requesting the service.

Personnel of Laboratories

George H. Moran, Chief Grain Inspector.....	Great Falls
James Aitken, State Grain Inspector.....	Harlowton
J. H. Hughes, State Grain Inspector.....	Great Falls
Alfred Duncan, Chemist.....	Great Falls
Closed account lack of funds.....	Lewistown
" " " ".....	Conrad
" " " ".....	Havre
" " " ".....	Glasgow
" " " ".....	Glendive

Only permanent employees listed. Part-time help not included.

Since July 1, 1928, the closing date of the last biennial report, the Division of Grain Standards and Marketing has reached a point where it is no longer financially able to provide the services required of it. This condition began to develop early in 1928, as a result of demands for extended laboratory service. The 1927 and 1928 markets offered substantial premiums for protein which led to continued appeal from all over the state for the installation of laboratories at points readily accessible to all the farmers and grain dealers in all parts of the state. Up to July, 1928, there was only one laboratory operated by the division, at Great Falls, and one at Bozeman operated by the State College. Prior to this time, the Division of Grain Standards and Marketing had maintained a sufficient surplus through earnings, no appropriation ever having been made to sustain it, to meet all demands made for its various services. With the increase of these demands, supported by the showing of pressing necessity and backed by prominent citizens of the state, laboratories began to be installed at various points and with the installation of these laboratories the surplus of the Division of Grain Standards and Marketing began to diminish until it had reached the low figure on July 1, 1930, of \$2,125.27.

The first new laboratory installed was at Harlowton, as that point was, and still is, considered an ideal location due to more than seasonal support there. Here is located the mill of the Montana Flour Mills Company, which provides some income at all times of the year. Harlowton is also a natural diversion point for cars moving off the Northern Montana division of the Milwaukee railroad, of which it is the southern terminal. Carload grain can be diverted without additional cost in the same manner as is done at Great Falls, which gives the shipper the opportunity of having his grain tested at a nominal cost before diversion to the market most suitable for the quality of his shipment. Added to this, is the fact that it is centrally located and offers protein service to all farmers and grain dealers located along the Milwaukee railroad system in Montana, and, together with the Bozeman laboratory, located on the Northern Pacific, and the Great Falls laboratory, located on the Great Northern railway, can serve all residents of the state.

Can Support Main Laboratories

If the extension of laboratory service had stopped here, the Division of Grain Standards and Marketing would not be in its present embarrassing position.

as it can maintain these two laboratories without assistance other than the income from fees for services rendered. The Bozeman laboratory is otherwise provided for, and does not come under this division. The extension of the service did not satisfy the demands of the laboratory patrons of the state, so it became necessary late in 1928 to install additional laboratories at Conrad, Havre, Glasgow, Glendive and Lewistown, while other points in the state continued to press the department for still others, which could not be placed due to lack of funds. These additional laboratories undoubtedly have been of great convenience to the people in the communities adjacent thereto, but they have also proved to be very expensive and impracticable. They are impracticable, first, for the reason that they are not self-supporting, and the present law requires that they must be; second, for the reason that they can be operated only a few months in the fall, at best, and therefore do not attract efficient men, and; third, for the reason that the service which they are equipped to provide, that of testing grain for protein content, is only required in those years when cash premiums are attractive. Experience proves that wheat of relatively high protein content is more attractive to millers of bread flour, some years than it is others.

Demand for Protein Tests

Briefly, a year of abundant supply of wheat of relatively high protein content spells low cash premiums while, on the other hand, a year when the supply is short means that premiums are correspondingly higher. The demand for the services of a protein laboratory keeps step very closely with the amount of cash premium paid for wheat of relatively high protein, so it follows that when the crop averages high in protein content the demands for services diminish, and when the crop averages low in protein content, the demands for service increase. The following table will illustrate how this has affected the number of tests performed by the Great Falls laboratory each year since 1924:

Year	Av. Prot. Mont.	Hi. Pre. Mpls. 13%	No. Tests Gt. Falls Laboratory
1924	13.55	7c to 25c	3427
1925	14.25	10c to 17c	3023
1926	13.91	4c to 14c	4086
1927	12.21	13c to 34c	13891
1928*	12.29	16c to 28c	18396
1929*	15.22	2c to 7c	8841
1930*	15.57	0c to 6c	2283 Jl.-Aug.

This table shows very plainly that in the crop years 1927 and 1928 when the average protein content in the wheat was lowest that the premium range was highest, and the number of tests greatest, and it is no coincidence that it happened during this period that the demands for extension of protein laboratories in the state became so pressing. Other years like these are bound to come again, but in the meantime, what is to become of these laboratories? Is the legislature to provide the means to sustain them until they are needed or must they be dismantled? If funds are not provided at once they must be dismantled and the people of the state must be satisfied with the services that can be provided by the three remaining laboratories. This brings up the question

* Premiums for 1928-1929-1930 taken from Grain Bulletin price card for Great Falls. Other years taken from Minneapolis market records as no premium was recorded on card prior to September, 1928. Figures for July and August only, in 1930.

of costs, or the amount required to sustain said laboratories for the next two years, which can be readily arrived at as shown in the following table:

Rent for five laboratories at \$360 per year each.....	\$ 3,600
Salaries four months each year at \$200 month, each man.....	8,000
Telephone four months each year at \$7.50 month.....	300
Electric current estimate, \$20 per month each laboratory.....	300
Stationery, \$50 each laboratory each year.....	500
Supplies and replacements, \$200 each laboratory each year.....	2,000
 Total	 \$15,200

It is impossible to forecast what the income from these laboratories will be or if there will be any income at all, so this sum must be set aside as an emergency fund to sustain them and insure the Division of Grain Standards and Marketing against possible cessation of operations due to lack of funds. Reference to the financial statement of the division shown elsewhere illustrates that the laboratory deficit for the two years, for all laboratories other than at Great Falls, is \$18,167.88. Part of this is, of course, due to the purchase and installation of new equipment, but it must be remembered that equipment of this nature is such that it requires regular replacement. It must also be remembered that this deficit exists in spite of the fact that the income from each was as good as can probably be expected in the future, and further, that said deficit would probably have been greater had all of these laboratories been in existence the full two years, also, that the income from each has been considered in arriving at said deficit.

Further reference to the financial statement of the division will show also that it is entirely due to the lack of revenue from these several laboratories that the balance on hand July 1, 1930, has reached the low figure of \$2,125.27, which is the lowest balance ever held by the division in its history. The only salvation for these laboratories, therefore, is an appropriation that will provide for their maintenance for the next two years, otherwise they must be dismantled, and this will only mean greater expense at some later date, for it is a certainty that when premiums come back, popular demand will force the department to re-install them.

Farm Storage

The law known as the Farm Storage Act did not become actively operative until the fall of 1929, therefore this report covers only one year of operation. In carrying out the provisions of this law, it has been found that certain sections must be changed to make it practicable. The law is inconsistent in some respects. Its administration is placed under the jurisdiction of the Commissioner of Agriculture without appropriation, and the only means for its support is the fee of one-half ($\frac{1}{2}$ c) cent per bushel which, according to Section 21, is to be collected from the proceeds of the sale of the grain on final settlement. The problem facing the Commissioner is, therefore, to finance the operation of the act until these settlements are made as the grain is not to be settled for, in most cases, for a period of 10 months and no money is made available to begin operations. In addition to this, the law presumes that all applicants for inspection will be applicants for loans on the basis of said certificates, but such is not the case. Therefore, if the fee is to be paid from the proceeds from said certificate, many fees would never be paid, but only those which had been used to consummate a loan. Consequently, this section must be changed so that the fee is to be paid upon application for inspection.

The law also assumes that each inspection applied for will be of sufficient amount to defray the cost of the inspection, but neither is this a fact. Many requests for inspection are for amounts of 500 bushels, or even less, and it is not possible to pay the costs of making such inspections without providing a minimum fee. This minimum should be placed at \$5.00, so that the inspector will receive at least \$2.50 for his time and transportation costs, and the balance can be applied to administrative, clerical and laboratory expense. Section 12, in outlining the duties of an inspector, provides that the individual farm storage inspectors are to issue negotiable warehouse certificates in triplicate and sign them over the facsimile signature of the Commissioner, and when so signed by the inspector, they shall be deemed to be issued by the proper authority of the Commissioner. This involves loss in time and places a duty upon the individual inspectors that can be better handled in the office of the Commissioner. The farm storage inspectors' duties should be fulfilled when the application and sample is submitted to the Commissioner's office, thereby eliminating several days' loss in time and resulting in more efficient control of the filing of duplicates with the county clerks and triplicates with the Commissioner and more efficient office procedure generally.

Revision of Farm Storage Act

Section 16 provides that the duplicate certificate is to be filed with the county clerk and recorder by the farm storage inspector. As this is an unnecessary provision it should be eliminated and the filing done from the Commissioner's office. Section 17 provides that the inspector shall pay a filing fee of 25 cents for each certificate filed. This is in conflict with Section 4893, Revised Codes of Montana, 1921, which reads as follows: "No fees to be charged state, county or public officer. No fees must be charged the state, or any county, or any subdivision thereof, or any public officer acting therefor, or in habeas corpus proceedings for official services rendered, and all such services must be performed without the payment of fees." If this filing fee provision were taken out of Section 17, these certificates would be filed free, thereby effecting a saving to the division, not only of the fee, but of the clerical work involved in making checks and money orders for each certificate, and in keeping book accounts of these transactions. Many county clerks even refuse to carry these certificates on account from month to month, and they are within their rights under the present law.

If the changes outlined were made amendments to the law, its successful administration would be made possible, but, as written, the law is impracticable, in fact, is almost impossible of administering. By assuming that the Commissioner is given some latitude under Section 4, and by interpreting Section 21, which states "that the owner shall pay not to exceed one-half cent per bushel for such purpose, the same to be deducted from the proceeds of said certificate on final settlement," to mean that payment must be made not later than final settlement, but can be collected any time before final settlement, it has been possible to provide the service. The first year, as indicated in the financial statement, there were a total of 214 such inspections made, with expenditures of \$1,660.04 and receipts of \$865.78, the deficit being \$794.26. In order to give the law a fair trial this year 46 inspectors were appointed on July 24, 1930, to handle the 1930 crop, whereas, there were only 10 inspectors in 1929. All of these inspectors are paid on a fee basis, their fee this year being one-fourth cent per bushel with a minimum fee of \$2.50 for any single inspection. From July 1

to September 26, 1930, a total of 224 of these inspections have been completed. There is altogether too much red tape connected with the application of this law, and the changes outlined above are recommended to make it more feasible.

FINANCIAL STATEMENT

RECEIPTS

	1928	1929	1930 (6 Months)
Balance on hand	\$14,832.06	\$19,198.01	\$ 9,951.57
Grain Division	10,106.35	9,174.65	105.24
Scale Division	11,610.00	12,299.00	2,552.00
Great Falls Laboratory	30,124.46	12,038.10	5,036.26
Harlowton Laboratory	3,915.56	5,229.23	396.96
Glendive Laboratory	1,591.15	1,302.96	.....
Havre Laboratory	823.25	2,166.11	.....
Conrad Laboratory	1,164.65	606.13	.....
Glasgow Laboratory	156.80	1,238.50	.....
Lewistown Laboratory .....	.....	2,860.40	719.28
Farm Storage .....	.....	865.78	304.18
	<hr/>	<hr/>	<hr/>
	\$74,324.28	\$66,978.87	\$19,565.49

EXPENDITURES

	1928	1929	1930 (6 Months)
Grain Division	\$ 7,494.15	\$ 7,543.91	\$ 3,598.42
Scale Division	10,476.17	9,951.46	4,196.09
Great Falls Laboratory	20,605.96	16,377.21	5,340.84
Harlowton Laboratory	6,616.39	6,481.33	1,595.73
Glendive Laboratory	4,382.04	3,269.28	213.15
Havre Laboratory	2,393.57	2,728.57	108.00
Conrad Laboratory	1,510.51	2,601.27	106.98
Glasgow Laboratory	1,647.48	2,968.25	60.00
Lewistown Laboratory .....	.....	3,345.98	1,606.13
Farm Storage .....	.....	1,660.04	614.88
	<hr/>	<hr/>	<hr/>
	\$55,126.27	\$57,027.30	\$17,440.22
Bal. on Hand end of period.....	19,198.01	9,951.57	2,125.27
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	\$74,324.28	\$66,978.87	\$19,565.49

EARNINGS OF GRAIN DIVISION

	1928	1929	1930 (6 Months)
Warehouse Licenses at \$15	595	592	*.....
Grain Dealers' Licenses at \$15.....	7	4	.....
Brokers' Licenses at \$15	6	5	.....
Track Buyers' Licenses at \$15	14	7
	<hr/>	<hr/>	<hr/>
	622	608
License Fees	\$ 9,330.00	\$ 9,120.00
Miscellaneous Income	776.35
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	\$10,106.35	\$ 9,120.00

* Licenses not issued until after July 1, 1930.

EXPENDITURES

Pay Roll	\$ 5,583.30	\$ 5,224.45	\$ 2,025.00
Telephone and Telegraph	271.95	256.41	172.34
Repairs and Equipment	143.52	87.75	.....
Travel Expense	623.72	129.54	310.59
Transfers to Revolving Fund	473.06	.....	.....
Office Supplies.....	51.35	274.80	80.23
Inspection Service	20.25	.....	.....
Envelopes and Postage	188.54	466.20	.....
Refunds to Elevators	45.00	60.00	.....
Printing .....	.....	742.17	29.87
Miscellaneous Expense	93.46	302.59	12.10
Auditing Walsh Elevator .....	.....	.....	968.29
Net Earning	2,612.20	1,576.09	.....
	<hr/>	<hr/>	<hr/>
	\$10,106.35	\$ 9,120.00	\$ 3,598.42

SCALE DIVISION

INSPECTIONS

	1928	1929	1930 (6 Months)
Wagon Scales	743	480	71
Dump Scales	684	569	378
Automatic Scales	143	475	77
Hopper Scales	453	129	299
Stock Scales .....	.....	105	.....
Beet Scales .....	.....	101	2
Dial Scales .....	.....	5	.....
Railroad Track Scales	28	36	14
Grain Testers	586	1,072	392
Flax Testers	454	335	325
Cream Testers .....	.....	152	101
Dormant Platforms	111	116	42
Portable Platforms	553	316	123
Coal Scales .....	.....	.....	180
Wool Scales .....	.....	.....	55
Scales Rejected .....	.....	.....	42
Reinspections .....	.....	.....	12
Miscellaneous .....	.....	.....	45
	<hr/>	<hr/>	<hr/>
Inspection Fees	\$12,321.00	\$11,928.00	.....

EXPENDITURES

Pay Roll	\$ 4,820.04	\$ 4,663.40	\$ 2,200.02
Travel Expense	5,556.67	5,127.67	1,899.59
Printing	25.70	54.25	25.25
Supplies and Equipment .....	.....	92.14	26.12
Miscellaneous	63.00	14.00	45.11
	<hr/>	<hr/>	<hr/>
Net Earning	\$10,476.17	\$ 9,951.37	\$ 4,196.09
	1,844.83	1,976.63	.....
	<hr/>	<hr/>	<hr/>
	\$12,321.00	\$11,928.00	.....

FARM STORAGE

RECEIPTS

	1929	1930 (6 Months)
Inspections	214	134
Inspection Fees	\$ 865.78	—
	\$ 865.78	

EXPENDITURES

	1929	1930 (6 Months)
Inspection Fees	\$ 350.20	\$ 240.42
Grain Inspections	330.75	210.00
Travel Expense	99.72	44.51
Bonds and Filing Fee	110.00	25.00
Supplies and Equipment	570.71	.96
Printing	135.66	46.90
Miscellaneous	62.93	47.09
	\$ 1,660.04	\$ 614.88
Deficit	794.26	—
	\$ 865.78	

GREAT FALLS GRAIN LABORATORY

	1928	1929	1930 (6 Months)
Carload Inspections	5,744	4,208	787
Sample Inspections	3,782	2,096	158
Reinspections	39	35	12
Protein Tests	21,412	10,666	979
Re-samples	140	106	16
Moisture Tests	376	18	13
Grade Samples .....	.....	.....	169
	31,493	17,129	2,134
Fees	\$26,693.17	\$15,228.35	.....

EXPENDITURES

	1928	1929	1930 (6 Months)
Pay Roll	\$13,851.99	\$11,326.13	\$ 4,020.00
Office and Garage Rent	1,028.90	1,127.75	528.75
Supplies and Equipment	1,482.53	618.74	.....
New Fixtures	798.05	.....	.....
Printing and Postage	881.01	421.27	358.55
Travel Expense	214.52	354.23	19.14
Laboratory Chemicals	1,229.59	905.76	43.10
Telephone and Telegraph	186.43	161.54	137.31
Electrical Power	264.54	261.60	72.50
Automobile Expense	347.40	495.57	143.26
Automobile Purchase .....	.....	650.22	.....
Miscellaneous	321.00	54.40	18.33
	\$20,605.96	\$16,377.21	\$ 5,340.84
Earning or Deficit	6,087.21	—1,148.86	.....
	\$26,693.17	\$15,228.35	.....

HARLOWTON GRAIN LABORATORY

	1928	1929	1930 (6 Months)
Carload Inspections	1,836	1,476	272
Protein Inspections	3,535	2,581	104
Sample Inspections	30	37	3
Moisture Tests .....	.....	6	.....
Reinspections .....	.....	4	.....
	<hr/>	<hr/>	<hr/>
Earnings	5,301	4,104	379
	\$ 4,968.75	\$ 3,842.96	.....

EXPENDITURES

Pay Roll	\$ 3,915.56	\$ 5,241.11	\$ 1,270.00
Laboratory Equipment	1,637.12	.....	.....
Installation Costs	674.91	.....	.....
Furniture and Fixtures	234.74	.....	.....
Rent	45.00	136.00	90.00
Miscellaneous	109.06	198.16	164.69
Chemicals and Supplies	517.55	71.04
Printing	388.33
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	\$ 6,613.39	\$ 6,481.33	\$ 1,595.73
Deficit	1,644.64	2,638.37
	<hr/>	<hr/>	<hr/>
	\$ 4,968.75	\$ 3,842.96

GLENDALE GRAIN LABORATORY

	1928	1929	1930 (6 Months)
Carload Inspections	14	9	*
Protein Tests	2,502	1,273	.....
Sample Inspections	53	6	.....
Moisture Tests	3	5	.....
Grade Inspections .....	.....	1	.....
	<hr/>	<hr/>	<hr/>
	2,572	1,294	.....
Earnings	\$ 1,948.00	\$ 982.33	.....

EXPENDITURES

	1928	1929	1930 (6 Months)
Pay Roll	\$ 1,561.05	\$ 2,115.50	.....
Equipment	1,838.98	323.86	.....
Chemicals	307.91	.....	.....
Printing and Office Supplies	381.23	68.20	3.15
Rent	75.00	360.00	210.00
Electrical Power	131.46	170.05	.....
Miscellaneous	86.41	213.67	.....
	<hr/>	<hr/>	<hr/>
	\$ 4,382.04	\$ 3,269.28	\$ 213.15
Deficit	2,434.04	2,286.95	213.15
	<hr/>	<hr/>	<hr/>
	\$ 1,948.00	\$ 982.33	.....

* Glendive laboratory closed November 1, 1929.

HAVRE GRAIN LABORATORY

	1928	1929	1930 (6 Months)
Protein Tests	2,137	2,286	**
Earnings	\$ 1,602.75	\$ 1,714.50	.....
	<hr/>	<hr/>	<hr/>
	\$ 1,602.75	\$ 1,714.50	

** Havre laboratory closed November 1, 1929.

EXPENDITURES

	1928	1929	1930 (6 Months)
Pay Roll	\$ 879.00	\$ 2,035.00	.....
Equipment	1,008.66	263.97	.....
Printing and Postage	117.54	51.60	.....
Chemicals	316.22	.....	.....
Rent	36.00	257.50	108.00
Electrical Power .....	.....	120.50	.....
Miscellaneous	36.15	.....	.....
	<hr/>	<hr/>	<hr/>
	\$ 2,393.57	\$ 2,728.57	\$ 108.00
Deficit	790.82	1,014.07	108.00
	<hr/>	<hr/>	<hr/>
	\$ 1,602.75	\$ 1,714.50	

CONRAD GRAIN LABORATORY

	1928	1929	1930 (6 Months)
Protein Tests .....	.....	707	†
Earnings	\$ 1,164.65	\$ 530.25	.....

† Conrad laboratory closed November 1, 1929.

EXPENDITURES

Pay Roll	\$ 200.00	\$ 690.60	.....
Equipment	1,140.29	1,692.25	.....
Office Supplies	43.99	.....	.....
Chemicals	108.83	95.94	.....
Printing	17.40	49.70	.....
Rent .....	.....	51.90	\$ 105.00
Miscellaneous .....	.....	20.88	1.98
	<hr/>	<hr/>	<hr/>
	\$ 1,510.51	\$ 2,601.27	\$ 106.98
Deficit	345.86	2,071.02	106.98
	<hr/>	<hr/>	<hr/>
	\$ 1,164.65	\$ 530.25	

GLASGOW GRAIN LABORATORY

	1928	1929	1930 (6 Months)
Protein Tests	210	1,605	†
Earnings	\$ 157.50	\$ 1,203.75	.....

† Glasgow laboratory closed November 1, 1929.

EXPENDITURES

Laboratory Equipment	\$ 775.74	\$ 88.00	.....
Chemicals and Supplies	357.94	310.96	.....
Pay Roll	400.00	2,054.94	.....
Rent	30.00	390.00	\$ 60.00
Printing and Supplies	50.45	.....	.....
Miscellaneous	33.55	124.35	.....
	<hr/>	<hr/>	<hr/>
	\$ 1,647.48	\$ 2,968.25	\$ 60.00
Deficit	1,189.98	1,764.50	60.00
	<hr/>	<hr/>	<hr/>
	\$ 157.50	\$ 1,203.75	

LEWISTOWN GRAIN LABORATORY

	1929	1930 (6 Months)
Carload Inspections	109	102
Sample Inspection	14	4
Protein Tests	361	149
Reinspections	5	.....
Re-samples	2	.....
	<hr/>	<hr/>
	491	255
Fees	\$ 426.00	
Donation	2,500.00	* * *
	<hr/>	<hr/>
	\$ 2,926.00	

EXPENDITURES

Equipment and Installation	\$ 1,601.55	\$ 53.00
Furniture and Fixtures	126.00	.....
Chemicals and Supplies	122.09	20.16
Pay Roll	1,050.13	1,260.00
Printing	238.87	.....
Rent	150.00	213.00
Miscellaneous	157.34	59.97
	<hr/>	<hr/>
Deficit	\$ 3,445.98	\$ 1,606.18
	<hr/>	<hr/>
	\$ 2,926.00	

DIVISION OF LABOR AND PUBLICITY

Warren W. Moses, Chief
Edith G. Briscoe, Secretary

*Jay G. Diamond, Agricultural Statistician
*Robert P. Sharples, Agricultural Agent

During the two years covered by this report, July 1, 1928, to June 30, 1930, the division of labor and publicity of the state department of agriculture, labor and industry has been directed by two heads, Barclay Craighead, after several years of service, leaving the division at the close of September, 1929, to be succeeded by Warren W. Moses, present chief of the division.

The work of the publicity division has consisted largely of research and the dissemination of information bearing upon the resources and development of Montana's agricultural, industrial, mineral, recreational and civic interests, obtaining publication wherever possible in newspapers of Montana and other states, in magazines, through radio broadcasting stations, through the compilation and distribution of periodical booklets, and in numerous ways endeavoring to create a better understanding and appreciation of Montana's advantages both in the minds of the citizens of the state and the people of other sections of the country.

News and Publicity Service

In this work numerous articles have been prepared and placed in the hands of publishers of such magazines as were inclined to use them. Through the weekly news service furnished by the division, current stories of the work of the various divisions of the department of agriculture, labor and industry, together with articles dealing largely with development of the state's resources, have been provided in large number for the daily and weekly newspapers of the state. This service, which, during the planting, growing and harvesting seasons, carries a weekly crop resume with the statement of conditions in the several counties obtained through an arrangement with the agricultural extension service of the Montana State College, not only goes to the Montana newspapers but also to news and farm publications in other parts of the country, to railroads, financial institutions, implement manufacturers and other concerns which keep in touch with crop, livestock and general business conditions in the state.

Upon the basis of but one publication these news releases during the two years covered by this report have approximated 4,781 column inches of newspaper type.

Illustrated feature articles on Montana were prepared for a number of metropolitan newspapers and magazines of national reputation, and material and music provided for Montana programs put upon the air by several important radio broadcasting stations in the United States and one in Hawaii.

Upon application scores of photographs of Montana scenes were supplied to publications in other states and numerous Montana engravings loaned from the files of the division for use in illustrating newspapers, magazines and miscellaneous publications.

Pamphlets Issued by Division

Under a second-class mailing permit the division distributes annually six publications under the title "Montana," in which a wide range of subjects is covered. In the first place these go to a large, regular mailing list over the country, and in addition to such other addresses as the character of the publica-

* U. S. Bureau of Agricultural Economics, co-operating with the Montana Department of Agriculture, Labor and Industry.

tions warrant. These publications may be found in every state library in the United States.

During the past two years the publications compiled and distributed under the title "Montana" included the following:

	Pages	Copies
Montana—Resources and Opportunities edition.....	320	12,000
Directory of Montana Newspapers.....	8	1,500
Facts About Montana (1928).....	32	10,000
Report State Poultry Association (1928).....	48	5,000
Directory, State, Federal and County Officials (1928).....	32	2,000
Real Estate Directory and Laws (1928).....	16	750
Directory, State, Federal and County Officials (1929).....	32	1,500
Farm Review (1928).....	72	12,000
Directory of Montana Newspapers.....	8	1,500
Salient Facts About Montana.....	32	12,000
Montana Winnings at International Exposition.....	12	5,000
Proceedings of Montana Development Congress.....	16	2,000
Montana Tourist Trails.....	16	15,000
Farm Review (1929).....	32	10,000
 Total.....		90,250

Fairs and Development Work

The division of publicity prepared and secured publication of all newspaper publicity and advertising relative to the Montana State Fair in the calendar years of 1928 and 1929. In 1928 the division prepared state fair display advertising in 90 Montana newspapers, and in 1929 advertisements were placed by it in 87 newspapers in addition to the preparation and distribution of a news plate service for 90 papers.

The chief of the division of publicity personally attended the International Livestock Exposition and the International Grain and Hay Show, at Chicago, both in 1928 and 1929, and in every way possible assisted in obtaining for Montana the publicity to which it was entitled for its extensive winnings at those expositions.

During the calendar year 1930, the division assisted the commissioner of agriculture, labor and industry, A. H. Stafford, in the research and promotion work in connection with calling and conducting a successful meeting of the Montana Development Congress, held in February, and in the subsequent organization of The Montana Association.

Considerable effort was expended by the division during the latter part of the last fiscal year in promoting support for a showing of Montana manufactured articles at the State Fair of 1930, which was subsequently conducted under the direction of the division and which it hopes to develop into an annual exposition for the expansion of Montana industries.

The division has lent its efforts to fostering tourist travel in the state and in promoting its recreational advantages, and during the 1930 season inaugurated a system of extending telegraphic greetings to artists, writers, financiers and others of influence visiting or passing through the state, with the idea of encouraging a friendly feeling for Montana in the minds of such visitors.

The division of publicity acts as a clearing house for inquiries directed to it, to various other state departments and state agencies, and annually replies to thousands of requests for information along numerous lines relating to Montana's varied resources and conditions, production and its agricultural, industrial and recreational possibilities.

Finances of Division

During the two years included in this report the division had at its disposal funds amounting to \$29,182.36, of which \$20,602.54 came from appropriations on the general fund and \$8,579.82 was derived through transfers from the funds of other divisions of the department of agriculture, labor and industry.

Expenditures during the period aggregated \$28,531.83 leaving a balance at the close of the last fiscal year, June 30, 1930, of \$650.53, all of which was obligated to the payment of printing work compiled during the year but not completed in time for presentation and payment of claims within the fiscal year.

The detail of the expenditures during the biennium follows: Salaries—\$15,342.81, of which \$3,600 was in payment of the state's co-operation with the work of the state-federal crop reporting service; printing and binding of the periodical publications of the division—\$9,000; postage—\$1,360; stationery—\$386.37; telephone and telegraph—\$420.90; travel expense—\$1,330.97; subscriptions to newspapers and periodicals—\$146.90; sundry office supplies—\$234.22; general supplies and expense—\$119.61; freight, drayage and express—\$94.42; official bonds—\$20.

Included in the sum of \$9,000 for printing and binding for the biennium is an item of \$5,151.38 for the last year book published by the division—"Montana—Resources and Opportunities" edition—which had been compiled by the division during the first year of this report period. This book, an excellent work of 320 pages, elaborately illustrated and carrying a number of color pages, is used largely as a text book on Montana in schools of the state and in many institutions of higher learning in other states. The division still has several hundred copies of this book on hand. Funds available do not permit of issuance of a revised edition of this publication.

Need of Additional Publicity

Because of limited funds, especially during the last of the two years covered in this report, the division has been unable to carry out a number of highly necessary and worth-while plans to better advertise the resources of the state in those sections of the country from which recreationists, investors and home-seekers might be secured and in furthering the development of agricultural, industrial and recreational possibilities.

Because of this situation it is recommended that the legislature of 1931 provide increased appropriations for the years of the ensuing biennium.

In support of such recommendations the Montana Association of Commercial Organization Secretaries, at its annual meeting in Miles City, January 28, 1930, adopted the following resolution:

"Inasmuch as the State of Montana is destined with the rapid development of her highway program to become one of the leading States in the Union for tourist traffic:

"Inasmuch as the publicity is sadly lacking to set forth the opportunities for tourist recreation to the traveling public outside of Montana:

"Inasmuch as the State Publicity Department can do practically no work of the necessary magnitude to adequately advertise the resources of this vast Treasure State under its appropriation. Therefore,

"Be it resolved—That the Montana Association of Commercial Organization Secretaries urge the next legislature to take care of this very pressing need in the way of an appropriation of at least \$50,000 to take care of a program that

will in some measure at least advertise Montana's resources on a par with other states in the union.

"Be it further resolved—That every member of this organization shall endeavor to secure favorable endorsements on this project from the various commercial groups which they represent and endeavor by means of adequate publicity regarding the need to get the support of the state senators and representatives in their respective districts."

The recently organized Montana Association, Inc., has taken a stand advocating the furnishing of additional funds for the division and various other commercial organizations and public spirited citizens have expressed similar views.

The commissioner of agriculture, labor and industry, and the chief of the division of publicity have in mind a program of work for the coming biennium, which with the assistance of some additional moneys, cannot but prove highly beneficial to the state as a whole.

THE STATE-FEDERAL CROP REPORTING SERVICE

In Montana the work of the division of crop and livestock estimates of the U. S. Bureau of Agricultural Economics is done co-operatively with the State Division of Publicity and Labor, of the Montana Department of Agriculture, Labor and Industry.

This service operates under the name of the State-Federal Crop Reporting Service and has been a joint project of the state and federal departments since 1921.

Organization

The federal department of agriculture contributed in 1929, \$7,330 in salaries of this office; the state department \$1,800. Travel funds and miscellaneous supplies were also provided by the federal government to the extent of \$1,500. The state department paid the expense of printing the annual Farm Review, about \$1,000. The federal government furnished the use of the franked mailing privilege and supplies of paper, envelopes and other stationery. The offices of the crop reporting service are furnished by the state publicity division and located in the Capitol. The total cost of the State-Federal Crop Reporting Service in 1929, excluding the value of rental for offices furnished by the state and the value of supplies furnished by the federal government, was about \$11,630, of which the state supplied \$2,800.

The personnel of the office includes a federally appointed agricultural statistician, an agricultural agent, the large bulk of whose salary is paid by the state, and two federally paid clerks together with such emergency clerk hire as may be necessary from time to time.

Scope of Work

The State-Federal Crop Reporting Service collects and tabulates basic agricultural statistics for Montana, maintains historical records of this data and makes current reports on condition, yields, acreage, prices, quality and marketings of crops; numbers and values of livestock by classes and kinds; size of calf crops, lamb and wool crops and pig crops, together with statistics on dairy and poultry production, values and rentals of farm lands, supply and demand for farm labor and wages of farm labor. During the growing season the service publishes for information of growers forecasts of probable production not only for Mon-

tana, but for the United States and foreign countries, which latter data is furnished through the co-operation of the U. S. Bureau of Agricultural Economics and the Foreign Service of the U. S. Department of Agriculture. The crop reporting service also collects and disseminates information as to intentions of farmers throughout the nation to plant crops and to market livestock, as a guide to actual planting and marketing plans of Montana farmers. It also disseminates outlook material prepared by the U. S. Department of Agriculture for various agricultural commodities in order that Montana farmers may be intelligently advised as to the long-time trends in agricultural production, not only in the United States but in other countries.

The crop reporting service prepares for annual publication a yearly summary of Montana's agricultural statistics.

While the work of the service is largely based on estimates, such estimates are carefully prepared from sample material collected from large numbers of representative Montana farmers and stockmen. They are based primarily on the actual enumerations made from time to time by the census bureau of the federal government and checked annually against railroad shipments, terminal and stock yard receipts and all other commercial data available relating to the marketing of Montana agricultural commodities.

An agreement by the federal department with railroad companies throughout the United States provides the crop reporting service in Montana with monthly station receipts and forwardings of cattle, sheep and hogs. A similar agreement with stockyards and packers makes available all receipt data for Montana livestock shipped to market. Various state agencies contribute to the records compiled by the crop reporting service. The Montana Livestock Sanitary Board, under the direction of Dr. W. J. Butler, has made available statistics on imports of livestock into Montana; the Montana Livestock Commission has made available records of state inspection of cattle exported from Montana; the Montana Railroad Commission makes available the monthly car-loadings of all agricultural commodities and the State Board of Equalization has made available all assessment data relating to numbers of Montana livestock. Other agencies co-operating in the furnishing of agricultural statistics include the state extension agents, the mills and elevators of Montana; the beet sugar factories, the canning factories and seed houses. Farm associations, including the Montana Wool Growers and the Montana Stockgrowers association, have also furnished valuable assistance in establishing and maintaining records of Montana's agricultural statistics.

The Crop Reporters

About 3,000 Montana farmers and stockmen co-operate in furnishing data for their farms and ranches on which estimates of acreage, yields and livestock numbers are largely determined. Occasional surveys require the use of much larger lists, as many as 12,000 acreage cards being distributed through the rural carriers each June and September. In June and December of each year, 12,000 cards are distributed through the rural carriers for information on pig and lamb crops. Each March 5,000 inquiries are mailed to Montana farmers asking spring acreage intentions, while these same men are requested again in June to report the actual acreage planted.

The number of reports mailed is governed largely by the number necessary to get an adequate sample with the most economy. Nevertheless, total lists for emergency purposes are available, covering about 20,000 names of Montana farmers and stockmen.

Use of Agricultural Statistics

Agricultural statistics are widely used. Not only are they necessary to the individual farmer who must make his plans as best he can in light of what all other agricultural producers have in mind, but they are valuable to all people concerned with the agricultural industry. Railroads need this data in order to allocate car requirements. Mills and elevators need the data in order to make arrangements to handle storage and milling of grains. Banks watch agricultural statistics in order to be able to meet varying credit demands on the part of agricultural producers. Manufacturers making goods for agricultural consumers make their plans in light of changing agricultural conditions. Students of agriculture need historical agricultural statistics in order to study trends of agriculture. Legislatures and congress need information on changing agricultural conditions to efficiently legislate for agriculture. Real estate men, investment agencies and business service organizations are also among those desiring up-to-date information on agricultural production. Newspapers, farm journals and other publications not only publish crop reports as issued, but frequently inquire for additional statistics on the industry.

Why the State Is Co-operating in This Work

The state department of agriculture is co-operating in the crop reporting work in Montana because it recognizes the fact that the United States Department of Agriculture, with its almost unlimited facilities for collecting agricultural data both for the United States and the world at large, is the proper clearing house for such information. To supply only the essential data that would be demanded from the state department from time to time, a much larger appropriation than that contributed under the present co-operative agreement would be necessary. The large number of farmers and stockmen co-operating in this work in Montana together with the fact that for 20 years before the state co-operated in this work the federal government was securing the co-operation of stockmen and farmers in crop reporting, is ample evidence of the fact that there exists a very strong demand on the part of agricultural producers in Montana for such a service.

Since co-operation has been instituted between the state and federal departments, the crop reporting service in Montana has been steadily improved with the result that it now enjoys the confidence of practically every agency using the data. The big shifts in agricultural production in Montana due to climatic influences are severe tests of the soundness of the statistical methods used in crop reporting work. In forecasting these shifts the crop reporting service for the past 10 years has been consistently accurate and within reasonable agreement with all check data developed as a result of study of railroad and other data bearing on the disposition of crops and livestock from Montana.

Need Wider Dissemination

The biggest need of the crop reporting service in Montana today is a wider dissemination and use of the statistical and economic data issued. The newspapers of the state have co-operated generously in publishing crop reports and other material designed for the information and guidance of farmers and stockmen, but there is still further need of the information reaching farmers who are not directly co-operating in the work. A study of this problem is now being made by the state department and the state extension service together with the federal agency and it is hoped that in the next few years considerable improvement will be effected along this line.

COST OF CROP REPORTING SERVICE, 1929

Salaries—Federal:	
Statistician	\$ 4,000
Clerk	1,740
Messenger	540
Assistant	650
Emergency help	400
Total Federal	\$ 7,330
Salaries—State:	
Statistician	\$ 600
Assistant	1,200
Total State	\$ 1,800
Total Salaries, Federal and State	\$ 9,130
Travel and Miscellaneous—Federal	1,500
Printing Farm Review—State	1,000
Total—Excluding Rent and Supplies	\$11,630
Estimated Value Rent for Offices Furnished by State,	
Including Heat and Light	\$ 800
Estimated Value Supplies Furnished by Government,	
Excluding Postage	1,500
Total Estimated Cost	\$13,930
State Share, Including Value Rent	\$ 3,600
Federal Share, Including Supplies	\$10,330

DAIRY DIVISION

July 1, 1928, to June 30, 1930

B. F. Thraikill, Chief	Fred Roseneau, Deputy
*J. M. Moudry, Official Tester	Kenneth Button, Deputy
E. J. Dahl, Deputy	Clara Hall, Secretary

The production of dairy products during the last biennium has not shown any increase over the biennial period ending June 30, 1928. This is accounted for by the low prices of butterfat caused by a depression in the market, which impelled many farmers to dispose of their milk cows. One of the main factors in retarding the growth of the dairy industry in Montana is found in the low quality of the butter and cheese, brought about by the failure of the farmers to take proper care of their milk and cream. The producer is not entirely to blame for this condition because the creameries and factories have been paying one price for all grades of milk and cream.

Establishing Cream Grades

During the past year this division has been doing a lot of research work in devising a system of grading that will be practical and workable under all conditions. The grading work now being done in western Montana seems to be more practical for the state than any other system that has so far been tried, which is grading on a basis of flavor and acidity. This system of grading was started June 26, 1930, in counties west of Missoula and the first week it was in force only 40 per cent of the cream graded No. 1. After carrying on this grading until

* State pays traveling expenses only. Mr. Moudry is official tester in Ravalli county and a part-time deputy of the Dairy Division, his salary being paid by the creameries of Ravalli county.

the first week in August, the percentage of first-grade was increased to 86, which proves conclusively that by having a system of grading and paying a higher price for No. 1 cream than for No. 2 cream, it takes but a very short time for the farmer to see the benefit derived from producing a No. 1 product. The price paid in this grading zone was the highest market price for No. 1 cream and 4 cents less for No. 2 cream. All of the work on the grading system has met with 100 per cent co-operation on the part of the farmers. They are perfectly willing to do their part providing they are paid for the quality of cream they deliver. There was also worked out a system of grading in the eastern part of the state which would have been a success, had it not been for the competition of creameries in North Dakota.

Through the experiments made in eastern, central and western parts of Montana it is evident that it will be very easy to enforce a cream grading law and at the same time improve the quality of butter and cheese so that more money will be returned to Montana, and both the producer and consumer will be benefited.

During the past year on outside markets there has been 4 cents difference in the price of butter now being manufactured and the quality of butter that could be manufactured under a grading system. It is therefore felt that the legislature should support a cream grading bill which will be introduced at the coming session.

Creamery Butter Production

Following are the production figures for the calendar years 1927, 1928 and 1929:

Butter: 1927—16,701,233 lbs.; 1928—16,363,832 lbs.; 1929—16,684,437 lbs.

Ice Cream: 1927—741,804 gals.; 1928—908,050 gals.; 1929—990,294 gals.

Cheese: 1927—1,556,539 lbs.; 1928—2,347,408 lbs.; 1929—1,893,494 lbs.

Butterfat shipped out of the state by Montana cream stations in 1928 aggregated 1,159,241 pounds, and in 1929 such shipments dropped slightly to 1,087,207 pounds.

BUTTER SHIPPED OUT OF STATE

Where Shipped	1928	1929
California	3,429,018	2,767,091
Washington	1,985,360	2,691,182
Idaho	84,696	358,050
Chicago	201,565	205,528
Indiana .....	.....	21,376
Boston .....	.....	75,953
Minnesota	133,761	209,314
North Dakota	11,359	26,486
New York	325,649	443,907
Ohio .....	.....	256
Oregon .....	.....	66,980
Pennsylvania .....	.....	5,664
Tennessee .....	.....	1,440
South Dakota	8,317	2,616
Wyoming	54,327	31,471
Maine .....	.....	21,344
Colorado .....	.....	448
Iowa	7,424	324
 Total Shipped Out	6,241,476	6,929,430

Manufacture of casein, for which records start in June, 1929, amounted to 143,215 pounds for that year.

Sales of oleomargarine in the state, for which reports were not received prior to January, 1929, aggregated 196,882 pounds for the year.

Inspection Work of Division

Through the increased appropriation and with the additional license fees collected, which has given revenue enough to employ three full-time deputies, this division has been able to accomplish much more work. During the last biennium the following inspections have been made: Check-weights of Montana butter, 389; on outside butter, 32 and on farm butter, 10. Moisture tests of Montana creamery butter totaled 333; outside butter, 33 and farm butter, 6. Six cheese analyses and 46 ice cream analyses were made during this period. Two check-weights and two moisture tests were made on oleomargarine. Babcock examinations totaling 939 have been given by this division, of which 625 were at stations and 312 at factories. A total of 716 station and 441 dairy product factory inspections were also made.

During this period the division closed one creamery, two cheese factories, nine ice cream factories and 30 cream stations on account of plants not being operated in a sanitary manner and not complying with the requirements of the Montana law. The majority of the plants were allowed to reopen after making the necessary improvements. There were 20 convictions and fines obtained on illegal butter; seven lots of butter returned to outside states on account of not complying with the state law; two fines imposed on outside butter shipped into Montana, on account of being short weight.

Most of the trouble with short-weight and over-moisture butter was during the first year of the biennium. At that time the Federal Department also found a lot of illegal butter, but during the past year very little trouble has been experienced with short-weight or over-moisture butter. This is due to the fact that more rigid inspections have been maintained, and made possible by the employment of more deputies.

The Gurley balance, used by the Federal Department and recommended by it, is used in the checking of butter weights. The butter is usually weighed in the stores. Where short-weight butter is found in the stores it is followed up to the creamery, checking all brands of butter to verify the findings.

During the past two years the division has been checking cream tests by sampling and testing cream enroute to the creameries. The producers are then asked to send their cream check stubs to this office for comparison with the creamery tests made by the dairy division. This is found to be an accurate way of checking and has proven very satisfactory.

Members of this division have held 78 meetings with farmers in the various districts to discuss grading and care of dairy products. During the past biennium good results have been obtained and much research work accomplished through the splendid co-operation of the State College, State Board of Health and the State Livestock Sanitary Board.

In the field work and at community meetings the question has been asked many times why we do not secure the passage of a law compelling the candling and grading of eggs for the protection of producers and consumers.

Need of New Egg Grading Law

Montana now has an egg law coming under the supervision of the State Board of Health, which is supposed to be enforced by the local health officers. This law was passed during the 1921 legislative session, but has never been enforced. The matter was taken up with Dr. W. F. Cogswell and he said that the existing law could not be enforced under present conditions and that the

enforcement of an egg law should be under the supervision of the Department of Agriculture.

Meetings have been held with producers and representatives of poultry associations and wholesalers of eggs in Montana and a proposed law has been drafted repealing the old law, making new rules and regulations and placing its enforcement in the Department of Agriculture. Under the present condition, eggs are being shipped into Montana as fresh eggs, including small eggs such as pullets and peewees, and are bringing more money than the large Montana eggs, because there is no system of grading or guaranteeing the quality of eggs. Enforcement of an egg law would mean more money for the poultry raisers of the state and would insure the consumer the quality of egg he was paying for. Egg grading and cream grading would work hand in hand in this division. Funds to meet the extra expense of enforcement could be raised by licensing egg dealers and handlers.

During the past two years this division has been putting on special educational exhibits at all fairs where it was possible to send the exhibits. This work has been of great value to the dairy industry.

Following is the report of collections and financial report of the dairy division during the biennium ending June 30, 1930:

RECEIPTS

Babcock License Fees	\$ 1,079.00
Station License Fees	5,205.00
Creamery, Ice Cream and Cheese Factory Licenses	5,985.00
Oleomargarine Licenses	10,375.00
Cream Haulers Licenses	155.00
Miscellaneous, Forfeited Bonds, Fines, etc.	868.97

Actual Collections	\$23,667.97
Grading and Testing Salaries Paid to Dairy Division	4,815.32

Total	\$28,483.29
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The above is money received, exclusive of appropriations.

Following is financial statement showing appropriations:

Balance in Revolving Fund July 1, 1928	\$ 697.10
Income July 1, 1928, to June 30, 1929	10,605.77
Appropriation July 1, 1928, less overdraft \$285.28	2,714.72
Transferred November, 1928	1,000.00

\$15,017.59

Expenditures July 1, 1928, to June 30, 1929	\$15,314.75
Reversion June 30, 1929	2.12
	<u>\$15,316.87</u>
	<u>-15,017.59</u>

Balance July 1, 1929.....(overdraft)	\$ 299.28
Income July 1, 1929, to June 30, 1930.....	\$17,653.38
Appropriation July 1, 1929	8,000.00

\$25,653.38

Expenditures July 1, 1929, to June 30, 1930	\$21,398.84
Overdraft July 1, 1929	299.28
	<u>\$21,698.12</u>
	<u>\$25,653.38</u>
	<u>-21,698.12</u>

Balance July 1, 1930	\$ 3,955.26
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The creameries in the Bitter Root valley pay an inspector for testing cream and milk through the dairy division: During the two-year period \$4,815.32 was handled in this manner: therefore, the income for the two years should be reduced \$4,815.32 and the expenditures a like amount.

If this division is to carry on the cream grading as outlined in the proposed law, the appropriation should be at least \$10,000 for the coming biennium.

DIVISION OF HORTICULTURE

George L. Knight, Chief

Fred A. Clarke, Great Falls, Inspector

Laura Ellithorpe, Secretary

Harry Sargent, Missoula, Inspector

R. O. Young, Hamilton, Inspector

Geo. A. Knight, Miles City, Inspector

J. Fossum, Butte, Inspector

R. E. Bancroft, Billings, Inspector

There are also seven part-time inspectors, working on a fee basis.

The financial statement covering the two years is shown on a separate page and attention is called to the following:

The decrease in receipts for the second year is due to the fact that the 1928-1929 period includes 13 months while the last year included only 11 months; also to the decrease in receipts from the inspection work on account of the short crop of apples and potatoes in 1929 as compared to the previous year.

In the matter of disbursements attention is called to the increase in the last year to maintenance and field work, inspection, to the items of equipment and spray machinery, also to inspect pest control work. The increase of expense on these items was caused by the extension of the inspection service to several cities of the state where it had not been in effect for several years; to the extension of the service to the control of insect pests which are making serious inroads into the fruit and vegetable products of the state, as well as becoming a serious menace to the shade and ornamental trees which are a valuable asset not only to the individual city but to the state as a whole.

During the past year extensive spray programs in the cities of Kalispell, Great Falls and Hamilton, under the supervision of the Division, have resulted very satisfactorily to the cities in question, so much so that several other cities have requested assistance of the division in handling their spray program.

As a result of these various activities the influence of the service is being extended and the appreciation of the people wherever this work has been done has been shown in a substantial way.

Inspection

On the sheet marked "Nursery Stock Inspection" you will note a material increase in the number of inspections made, and on the sheet marked "Nursery Stock Condemned" you will notice of total of 451 different nursery stock products condemned, which shows the value of this service to the state as had this condemned stock been allowed to come into the state and been planted the increase in disease would have been material.

During the past year there was a decrease in the number of packages and car lots of fruit and other products inspected with the exception of the beans

which show a very healthy increase. As stated before this decrease was due to the short apple and potato crops.

Accompanying this report is a sheet marked "Fruit Condemned" which shows nothing condemned during 1928-1929 but a total of 589 condemnations during the past year, 572 being for codling moth, the most serious enemy of the fruit industry with which we have to contend.

Quarantines

During the past 13 years the quarantine on the alfalfa weevil has been so effective that this pest has not as yet gained a hold within the state although it has extended in one of our neighboring states to within a few miles of our border and at an elevation of 6,500 feet, which proves positively that it is a serious menace not only to the alfalfa districts of the western part of the state but given entry into the state would ruin the seed industry of eastern Montana. Control of the pest can only be secured through rigid enforcement of our quarantine rules by competent inspectors.

Appropriation

We feel that the police function of the Division is a small matter as compared with the good which can and is being done in an educational way by encouraging the growing of fruits in districts where they are not at present grown, which districts are paying an annual tribute of many thousands of dollars to outside territory; also to the preservation of the trees already planted, both fruit and shade as well as ornamentals.

In order to carry on this work as outlined and in accordance with the progress made the past year the present appropriation of \$8,000 per year is inadequate. To give that portion of the state which does not have the service of the Division, what it is justly entitled to, will require an additional appropriation of at least \$4,000 each year for the next biennium. With this additional amount the service of the Division can be so extended that it will be available to practically the entire state instead of being sectional as at present.

FINANCIAL STATEMENT

July 1, 1928, to June 30, 1929

RECEIPTS

Balance Appropriation	\$ 9.84
Balance Revolving Fund	3,734.88
Appropriation	8,000.00
Inspection Receipts (13 months)	10,083.82
	<hr/>
	\$21,828.54

DISBURSEMENTS

Maintenance and Field Work	\$ 4,914.28
Inspection	9,530.37
Quarantines	646.00
Grain Division Transfer	1,000.00
Balance Reverted to State	1.69
Balance Revolving Fund	5,736.20
	<hr/>
	\$21,828.54

July 1, 1929, to June 30, 1930

RECEIPTS .

Balance Revolving Fund	\$ 5,736.20
Appropriation	8,000.00
Inspection Receipts (11 months)	7,059.14
	<hr/>

DISBURSEMENTS

Maintenance and Field Work	\$ 6,038.58
Inspection	10,560.21
Quarantines	652.90
Equipment—Spray Machinery	1,108.81
Insect Pest Control Work	262.83
Balance Appropriation	5.94
Balance Revolving Fund	2,166.07
	<hr/>
	\$20,795.34

FRUIT INSPECTED

	1928-1929	1929-1930
	Boxes	Boxes
Apples	460,532	321,171
Pears	25,997	15,451
Peaches	82,839	81,630
Plums—Prunes	26,572	38,986
Cherries	900	
Apricots	6,213	6,594
Quince	73	135
Oranges	86,629	73,950
Lemons	96,073	27,992
Grapefruit	1,133	6,533
Grapes	214,581	259,665
Miscellaneous	4,386	
	<hr/>	
	1,005,928	832,107
Number of cars	1,270	1,001

FEDERAL-STATE CARS INSPECTED

	1928-1929	1929-1930
Apples	380	300
Cabbage	1	.....
Lettuce	2	1
Onions	2	.....
Potatoes	294	145
Strawberries	13	.....
	<hr/>	
Beans	692	446
	14½	64½
	<hr/>	
Beans (Samples)	706½	510½
		107

FRUIT CONDEMNED

1929-1930

	Coddling Moth	Scab	Quarantine No. 4A (Eelworm)
Apples	165	11	---
Pears	407	---	---
Potatoes (lugs)	---	---	6
	572	11	6

Fruit Condemned in 1928-1929—None.

NURSERY STOCK INSPECTED

	1928-1929 Plants	1929-1930 Plants
Apples	11,612	9,121
Pears	500	947
Peaches	529	1,400
Plums—Prunes	4,262	6,523
Cherries	12,674	6,907
Apricots	7	131
Quinces	---	30
Grapes	2,449	2,359
Strawberries	34,848	34,950
Blackberries	11,873	2,611
Raspberries	6,310	16,823
Dewberries	24	1
Currants	1,974	3,015
Gooseberries	1,790	3,425
Shade	16,745	27,018
Ornamentals	18,757	43,625
Miscellaneous	8,295	2,935
	122,649	161,821

NURSERY STOCK CONDEMNED

1928-1929

1929-1930

	Crown Gall	Root Gall	Fed. Quar. #63	Crown Gall	Root Gall	Hairy Root Gall	Fed. Quar. #63	Mont. #3A	Quar. Diseased
Apples	56	2	---	80	---	2	---	---	---
Currants	---	---	11	---	---	---	4	---	---
Gooseberries	1	---	---	---	---	---	---	---	---
Shade	200	---	---	---	1	---	---	17	---
Ornamentals	8	---	---	---	---	---	---	17	69
Glad. Bulbs	---	---	---	---	---	---	---	---	---
Totals	256	11	11	80	1	2	4	17	69

APIARY DIVISION

O. A. Sipple, Chief

Harvey Kurzhals, Inspector (part time)

The work of the Apiary Division of the State Department of Agriculture the past two years has been both educational and regulatory in nature, thus carrying out the measures of the law passed by the 1921 session of the legislature.

For efficiency and convenience, the program of the Division was divided into the following projects:

1. Apiary Inspection. This was for the clean-up of brood diseases of bees. In the past, apiary inspection was carried out where to us disease seemed the worst, and in localities from which urgent requests were received. While this procedure had its effect, yet it was felt that over a period of several years, satisfactory results would not be obtained throughout the state in general. Through the foresight of our Commissioner of Agriculture, Mr. Stafford, an Advisory Board of seven commercial beekeepers was appointed April, 1930. Six of these were picked from localities widely distributed, while the seventh member is also the president of the State Beekeepers' Association. Each year before active field work commences, these men are called together for a business conference. These men make such suggestions as they deem necessary for the proper conduct of the apiary inspection work.

Realizing the need for concentrated effort, the Advisory Board recommended that the State be divided into three units: Section 1 to comprise the territory lying west of the main Continental Divide; Section 2 to comprise the territory east of the Continental Divide, and north of the Missouri-Yellowstone Divide; Section 3 to comprise the territory east of the main Divide and south of the Missouri-Yellowstone Divide. By zoning the State into the above three sections, it was felt that with the present funds the State could be thoroughly inspected once every three years and the results of our efforts would be much more apparent.

In our previous biennial report, it was pointed out that our inspection was ineffective because it was necessary to cover too large a territory in one year and accordingly a re-check on our work could not be made. In confining our work for one year, however, to one territory as was recommended by the Advisory Board it has made it possible to re-inspect the territory a second time during the year and to see to it that all diseased colonies are cleaned up before going into winter quarters. This is a very important factor in our disease control work.

Development Activities

2. Development. During the past two years this office has been receiving quite a number of requests for information regarding available bee locations in the State. Through our development program we have been able to induce several commercial beekeepers from other states to move into Montana, and it is expected that we may have quite a good deal of our now unoccupied territory taken up during the course of two or three more years' time.

During the spring of 1929, two commercial beekeepers from Oregon were located by the Department in Lake county. A producer in Flathead county was re-located, which made it possible for him to increase his production and to

expand his holdings. During the spring of 1930, two more commercial beekeepers were moved into the State, one from Oregon and the other from Idaho.

It is the policy of the department to locate such incoming beekeepers in territory suitable for their business and then protect them as much as possible from the invasion of other beekeepers. This insures the individual every opportunity for making a success insofar as producing crops is concerned. The present reading of our State law makes it possible for the Department to follow this policy, and all beekeepers agree that it is economically sound and practical.

Educational Operations

3. Extension. This phase includes apiary demonstrations on manipulation of the colony and management of the apiary for honey production. The matter of increased efficiency of production has been confronting the producers for several years. Many producers complain of honey being sold below the cost of production. The only means of meeting such a situation is to produce the product more efficiently and economically. The factors which contribute to the solution of this problem are: better management, better stock, better equipment (in some instances), and better disease control.

Occasional meetings are arranged so the beekeepers can come together and discuss their problems. A summer picnic is an annual affair looked forward to by most beekeepers. It is planned to extend this work in more areas for the mutual benefit of the beekeepers.

Each year the State Department, cooperating with the State Beekeepers' Association, is responsible for the honey exhibits put on at the various fairs. In the past, our fair work was confined to only the State fair and the Midland Empire fair. This year, however, several other fairs were included. Many compliments were extended the Department of Agriculture for their honey exhibits. The beekeepers over the State recognize the importance of this work and are desirous that this be continued.

4. Correspondence and Literature. Service was rendered by means of answers to correspondence, distribution of bulletins for disease control, seasonable hints, and by acting as secretary-treasurer of the Montana State Beekeepers' Association.

5. Sample Diagnosis. Since it is impossible to give everyone having bees inspection service during the year, we have been asking beekeepers to send us a sample of comb which they suspect of containing disease. On receipt at this office, such samples are carefully examined and, if necessary, microscopic examinations are made and the result of our diagnosis, together with recommendations, is immediately dispatched to the beekeeper. Each year the number of samples so received is increasing, and it is gratifying to know that the beekeepers of the State take advantage of this service.

6. Registration of Beekeepers. At the request of the Montana State Beekeepers' Association, the 1925 session of the Legislature passed a registration law requiring all owners or operators of bees to register their bees with the State Department of Agriculture, and to pay a registration fee according to the number of colonies owned. It has been the duty of this office to collect these registration fees and to make deposits with the State Treasurer. While in some instances objections have been voiced to the State collecting this registration fee, yet the majority of beekeepers are in favor of its continuance. Were it possible to give every beekeeper annual inspection, it is very doubtful whether there would be any objection whatsoever.

Summary of Inspections—July 15, 1928, to June 30, 1930.

Each year, requests for inspection services increase, but under the present program it is impossible to comply with all requests. It is, however, gratifying to know that the beekeepers of the State desire the work of the Department.

During the year July 1, 1928 to June 30, 1929, a total of 457 apiaries was inspected with a total of 10,009 colonies examined. Out of this number, 7.6 per cent, or 761 colonies, was found to be diseased.

During the year July 1, 1929, to June 30, 1930, a total of 385 apiaries was inspected, with a total of 10,200 colonies examined; 5.4 per cent, or 554 colonies was found to be diseased.

Inspection of Apiaries

The following is a list of counties inspected, July 1, 1928 to June 30, 1929:

Counties Inspected, 1928	No. of Apiaries Inspected	No. of Colonies Inspected	No. Found Diseased
Blaine	10	50	—
Big Horn	43	1,225	148
Carbon	35	1,062	94
Cascade	32	1,224	70
Flathead	15	515	6
Gallatin	44	1,316	146
Jefferson	7	115	—
Lake	50	688	—
Judith Basin	36	282	24
Lewis and Clark	14	282	62
Phillips	23	260	17
Rosebud	12	286	42
Ravalli	59	1,114	38
Sweet Grass	12	266	80
Stillwater	2	162	11
Treasure	6	110	—
Valley	11	202	—
Yellowstone	46	940	23

Inspections for the year July 1, 1929, to June 30, 1930, are as follows:

Counties Inspected, 1929	No. of Apiaries Inspected	No. of Colonies Inspected	No. Found Diseased
Big Horn	25	1,165	104
Blaine	10	113	16
Carbon	30	2,537	110
Cascade	16	252	55
Custer	3	29	—
Fergus	36	581	15
Flathead	24	566	27
Gallatin	36	754	53
Judith Basin	20	191	10
Lake	62	366	—
Phillips	26	137	25
Powder River	3	175	14
Ravalli	34	1,177	59
Richland	5	665	—
Rosebud	6	353	17
Sweet Grass	11	158	36
Treasure	6	176	—
Yellowstone	32	705	13

The disposal of diseased colonies was according to the type of beekeeper. In cases where the beekeeper was found to be careless and showed no inclination to take care of the bees, the diseased colonies were burned. All good equipment and saleable honey was salvaged. In cases where the beekeeper showed

aggressiveness and was disposed to care for his bees, every consideration was shown. Usually in such cases the "shaking" treatment was permitted, and when lack of experience was apparent, the inspectors performed the duty of shaking, thereby instructing the beekeeper through actual demonstration.

Recommendations

In view of the fact that the Advisory Board has recommended that one territory at a time be inspected, and since it is possible to inspect only one territory each year with the present finances, and whereas, it will require at least three years to give the entire State one inspection, it is respectfully recommended that the State Legislature, during its next assembly, provide an additional \$3,500.00. In providing this additional amount, it will then be possible to inspect an additional territory and make it possible to give statewide inspection at least once every year and a half. It is estimated also that additional fair work and development work can be undertaken.

MONTANA STATE FAIR

A. D. Thomas, Secretary
Ella Blaine Thompson, Assistant

Biennial report for the last two calendar years, 1929 and 1930.

On account of the difference in weather conditions for the years 1929 and 1930, covering the two years of the Montana State fair, it is necessary to make a separate report on each year.

The State fair of 1929 was one of the largest as to exhibits that has ever been held. There were 36 counties exhibiting, and the space in the Horticulture building was inadequate, hence it was necessary to erect a large tent east of this building to accommodate the exhibits.

The livestock divisions were completely filled, and the judges in each division, who were chosen from out of the state, unanimously stated that in their judgment they had never attended any fair where the livestock divisions had shown finer or better stock, this applying to beef, dairy cattle, swine and sheep.

All other exhibits were outstanding in quality and quantity, and the year of 1929 will be remembered as a banner year for all exhibits.

The 1929 Montana State fair was all set for one of the largest financial successes in the history of Montana State fairs, but on the opening day, September 23, rain, hail, snow and wind set in and continued until the close of the fair, Saturday, September 28, with the exception of about two hours of sunshine on Friday. Consequently, on account of the entire week of bad weather, the 1929 Montana State fair went down as one of the failures of the year, regardless of the fact that in every way the stage was set for one of the most successful fairs ever held.

Repairs on the fairgrounds during 1929, amounted to over \$12,000. They consisted of a new septic tank, two new sanitary toilets under the grandstand; putting water and sanitary conveniences in the custodian's house from the main pipe, entailing an expenditure of \$700; this, together with the painting and necessary repairs, amounting to about \$1,000; drainage pipe from septic tank to out-

side of grounds, so that such drainage could be sanitarily treated before emptying; drainage pipe from fish aquarium to creek; re-roofing of one-half of the grandstand with tar and sand; re-roofing of the five livestock barns; reenforcing of the poultry barn; painting the grandstand, mining exhibit hall, concessions, fences, ticket booths and office, and necessary repairs on fences.

In fact, about \$12,000 was expended, which included labor and materials, and the 1929 Montana State fair being a financial failure on account of the inclement weather, the above amount was paid for by the balance left over from the 1928 State fair, and the earnings of the 1930 State fair.

1930 Montana State Fair

The date of the 1930 Montana State fair was advanced about six weeks, on account of the bad weather experienced during previous State fairs, the board deciding to take no chances on a date late in September.

The State fair opened its gates August 18, and closed August 23, terminating one of the most successful fairs ever held as to attendance, showing conclusively that early dates, which insure good weather, are absolutely necessary for the success of an outdoor exhibition such as the fair.

Naturally, being held so early, the Agriculture and Horticulture divisions did not come up to former years, but the putting on of a Montana Manufacturers' and Home Products show, which in a manner took the place of the Agriculture show, was most successful, and this division will be continued each year, showing the people of Montana what the state manufactures. Outside of the small number of exhibits in these two divisions, all other divisions were up to standard. There were 11 counties represented this year.

Every effort was made to keep expenses down as far as possible, attractions were limited, trophies were ordered as sparingly as possible, and in every manner careful thought was given to every outlay.

Outside of putting paint on the roof of the grandstand, no money was expended in repair work at the fairgrounds this year, regardless of how much it was needed.

As the records will show, the 1929 State fair opened with a balance of approximately \$12,000. Anticipating a reasonable break on the weather, entertainments and other features were contracted for far in excess of what was ordinarily expended on the State fair. The bad weather reduced the income to a figure where it was necessary to use all the money available, together with approximately \$18,000 of the 1930 appropriation. This made it necessary to open the 1930 State fair with a balance of approximately \$12,000 available.

The success of the 1930 State fair is demonstrated by the fact that it produced sufficient money to pay expenses and leave a balance of approximately \$2,000, after paying the balance due on the sheep barn, septic tank and a second-hand Chevrolet truck; these three items totaled approximately \$2,000.

At the meeting of the State Fair Advisory board, during fair week, a resolution was passed urging that the Montana State fair be held not later than the first week in September, and earlier if possible.

Following is a comparative table which shows the income and expenditures of the State fair for the last eight years:

**COMPARATIVE STATEMENT OF INCOME AND EXPENDITURES
FROM 1920 TO AND INCLUDING 1930**

Year	Amount of Appropriation	Income	Expenditures
1920	\$41,100.00	\$28,744.89	\$72,804.94
1921	50,812.00	18,306.78	83,345.99
1922	45,833.00	26,123.42	74,905.72
1923	51,000.00	17,823.92	61,696.80
1924	51,000.00	20,661.92	67,486.45
1927	35,000.00	15,483.65	53,615.86
1928	35,000.00	25,128.11	45,166.47
1929	30,000.00	26,824.34	57,146.50
1930	11,811.57	47,577.36	54,228.42

There were no State fairs held in 1925 and 1926.

REAL ESTATE DIVISION

A. H. Stafford, Real Estate Commissioner Ex-Officio
Laura Frederick, Acting Deputy and Clerk

The Montana Real Estate Division was created in 1921, with the State Auditor and Insurance Commissioner as Commissioner of Real Estate ex-officio. In 1925, the law was amended and the supervision of the division was transferred to the Department of Agriculture, with the Commissioner of Agriculture as Commissioner of Real Estate ex-officio. In 1929, the State legislature passed an appropriation bill allowing all fees collected by the Real Estate Division to be used by the Division of Labor, Publicity and Real Estate. There is no appropriation for the Real Estate Division. It is entirely self-supporting.

Brokers and salesmen are required by law to secure a bond in the amount of \$1,000. This bond may be called by the department, in the case of a fraudulent act of a broker or salesman, to reimburse the injured party. The Division of Real Estate is making an effort to impress on the buying public the importance of dealing only with bonded and licensed brokers or salesmen, as no broker or salesman is a legal representative until he is licensed by the State. There have been three licenses canceled in the last biennium, two for non-payment of bond fee and one for fraudulent transactions.

The real estate license year is from April 1, to March 31. During the year, April 1, 1928 to March 31, 1929, there were approximately 550 licenses issued. From April 1, 1929 to March 31, 1930, licenses totaled about 528, and in the six months from April 1, 1930 to October 1, 1930, approximately 380 licenses have been issued.

In December, 1928, a meeting of real estate brokers was called and a state association was formed for the purpose of furthering the interests of the real estate business and the State Division. W. W. Hulce, of Billings, was elected president, and C. K. Moore of Great Falls, secretary-treasurer. The first annual meeting was held in Billings in July, 1929. Representatives of the National Real Estate Association were present with helpful suggestions regarding the work, and the cooperation of the State Division with the State Association was assured.

In February, 1930, a mid-winter meeting was held in Helena, for the purpose of making recommendations and deciding on the place of meeting for the second annual convention.

Missoula was chosen for the second annual meeting, and in August, 1930, a meeting of the State Association was held. T. W. Midkiff of Great Falls, was elected president, and W. W. Hulce, Great Falls, was elected secretary-treasurer. Every effort is being made by the State Division of Real Estate and the State Real Estate Association, to let the people of Montana know there is a Montana real estate law. There are at the present time 26 states enforcing real estate laws.

FINANCIAL STATEMENT

July 1, 1928 to June 30, 1930

Balance, July 1, 1928	\$4,588.56
Income, July 1, 1928 to June 30, 1929.....	5,243.50
	<hr/>
	\$9,832.06
Expenditures, July 1, 1928 to June 30, 1929.....	3,023.60
	<hr/>
	\$6,808.46
Transferred to Publicity Division	3,500.00
	<hr/>
	\$3,308.46
Balance, July 1, 1929	3,308.46
Income, July 1, 1929 to June 30, 1930	4,096.00
	<hr/>
	\$7,404.46
Expenditures, July 1, 1929 to June 1, 1930	2,602.73
	<hr/>
	\$4,801.73
Transferred to Publicity Division	3,000.00
	<hr/>
Balance, July 1, 1930	\$1,801.73



